

Liquidator's Progress Report**Pursuant to section 92A, 104A, and 192 of the
Insolvency Act 1986****S. 192**

To the Registrar of Companies

Company Number

OC306872

Name of Company

(a) Insert full name
of company(a) SUBER PCS LLP (FORMERLY CHANCERY (UK) LLP) - IN
LIQUIDATION(b) Insert full name(s)
and address(es)I (b) Asher Miller of David Rubin & Partners, Pearl Assurance House, 319
Ballards Lane, London N12 8LYthe liquidator of the company attach a copy of my/~~our~~ Progress Report under
section 192 of the Insolvency Act 1986The Progress Report covers the period from 30 September 2015 to 29
September 2016

Signed



Date 28/11/16

Presenter's name,
address and reference
(if any)David Rubin & Partners
Pearl Assurance House
319 Ballards Lane
London N12 8LY

Tel 020 8343 5900

DX Number 57368 DX Exchange Finchley 1

WEDNESDAY



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30/11/2016

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COMPANIES HOUSE

IN THE MATTER OF
SUBER PCS LLP (FORMERLY CHANCERY (UK) LLP) - IN LIQUIDATION
AND
THE INSOLVENCY ACT 1986

**THE LIQUIDATOR'S FIRST ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
RULE 4.49C OF THE INSOLVENCY RULES 1986
FOR THE YEAR ENDED 29 SEPTEMBER 2016**

SUBER PCS LLP (FORMERLY CHANCERY (UK) LLP) - IN LIQUIDATION ("THE LLP")
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

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SUBER PCS LLP (FORMERLY CHANCERY (UK) LLP) - IN LIQUIDATION ("THE LLP")
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(a) Introduction

The LLP was placed into liquidation by a Special Resolution of the members, which was subsequently ratified by an adjourned meeting of the LLP's creditors originally convened under Section 98 of the Insolvency Act 1986 on 30 September 2015. This report provides an update on the progress of the liquidation for the year ended 29 September 2016.

Rule 4.49C-CVL(5): Progress Report

(b) Statutory information

LLP name	Suber PCS LLP (formerly Chancery (UK) LLP)
Registered office.	Pearl Assurance House, 319 Ballards Lane, London N12 8LY
LLP number	OC306872
Trading address	Chancery Pavilion, Boycott Avenue, Oldbrook, Milton Keynes, MK6 2TA

(c) Liquidator's names and address:

Asher Miller of David Rubin & Partners, Pearl Assurance House, 319 Ballards Lane, London N12 8LY was appointed Liquidator of the LLP by the members on 30 September 2015. A meeting of creditors convened on the same day was adjourned for two weeks to enable previously unidentified creditors to be duly notified of the meeting, and the Liquidator's appointment was subsequently ratified by creditors at the adjourned meeting on 14 October 2015.

(d) Basis of Liquidator's remuneration

Basis of remuneration

- 1.1 At the first meeting of creditors a resolution was passed approving that the basis of my remuneration as Liquidator be fixed by reference to the time properly spent by me and my staff in attending to matters arising in the winding-up.
- 1.2 In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my firm's charge-out rates was issued to creditors at the time that the basis of the Liquidator's remuneration was approved. There has not been any material increase in the rates during this appointment. Our current hourly charge-out rates, which are charged in units of 6 minutes, are as follows (exclusive of VAT) :-

	£
Senior / Managing Partners	450
Partners/Office Holders	300 - 395
Managers / Senior Managers	250 - 295
Senior Administrators	180 - 220

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Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

Administrators	130 - 160
Cashiers and Assistants	120 - 160
Supports	110 - 120

Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance

Staff allocation and the use of subcontractors

- 1 3 Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

(e) Liquidator's remuneration

My time costs for the year under review are £92,616, representing 370.9 hours at an average hourly rate of £249.71. Attached at Appendix A is an analysis of time costs which provides details of the activity during the year, analysed by staff grade.

To view an explanatory note concerning the remuneration of Liquidators, issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME s519 sub@drco.co.uk PASSWORD bus915S*

Alternatively, please contact this office to arrange for a copy to be sent to you by post.

Included in the work undertaken by the Liquidator and his staff to date is the following:-

- i) Dealing with creditors' enquiries, both by correspondence and by telephone, and noting and acknowledging their claims as appropriate.
- ii) Applying for the Liquidator's bond, as required by the Insolvency Practitioners Regulations 2005, and regularly monitoring the bond level.
- iii) Publishing the necessary statutory advertisements in respect of the liquidation proceedings in the London Gazette.
- iv) Filing the appropriate statutory documents pertaining to the liquidation with the Registrar of Companies.
- v) Collecting and archiving the Company's books and records.
- vi) Opening a designated estate bank account and dealing with the movement of funds.

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- vii) Cashiering activity, including the allocation of receipts and payments and the reconciliation of accounts
- viii) Conducting the Liquidator's statutory investigations under Statements of Insolvency Practice 2 and 4, including an examination of the LLP's statutory registers, physical books and records, and electronic data
- ix) Preparation and submission of the Liquidator's report to the Secretary of State on the conduct of the Designated Members of the LLP, pursuant to the requirements of the Company Directors Disqualification Act 1986
- x) Establishing the extent and nature of various intercompany accounts and transactions, and determining whether the intercompany debtors represented on the LLP's balance sheet are recoverable
- xi) Dealing with solicitors and the courts in respect of ongoing litigation in which the LLP is a claimant or a defendant, and in particular dealing with a current appeal in respect of the jurisdiction of the Financial Ombudsman Service to consider complaints against the LLP
- xii) Liaising with the Financial Ombudsman Service, the Financial Services Compensation Scheme, and the LLP's insurers in respect of claims brought against the firm by scheme participants
- xiii) Dealing with enquiries from claimants represented by the claims management firm, Rebus Investment Solutions Limited, and also from former participants not listed as creditors, but who believe they may have claims against the LLP
- xiv) Further investigations relating to a number of transactions prior to the date of liquidation, including in respect of the purported assignment of the rights to certain fees and commissions due to the LLP, and ongoing correspondence and meetings with solicitors and the Designated Members in respect of these matters
- xv) Regular submission of post-deregistration VAT returns
- xvi) Regular case monitoring to ensure the timely progression of the liquidation

(f) Liquidator's expenses

Expenses of the liquidation paid during the period under review are explained at paragraph (g) below, in the Liquidator's comments on the Receipts and Payments Account

Unpaid expenses

The Liquidator has engaged solicitors, MHS Sprecher Grier, to provide advice on various legal matters arising in the liquidation. MHS Sprecher Grier have a specialist insolvency practice and were selected on the basis of their experience in dealing with matters of this nature, taking into account the size and complexity of the case.

At the date of this report, MHS Sprecher Grier have incurred expenses that have not been paid. Further details are provided below.

SUBER PCS LLP (FORMERLY CHANCERY (UK) LLP) - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

Nature of expense	Basis of fee arrangement	Fees incurred	Fees billed	Fees paid
Legal fees – for providing advice on various matters arising during the liquidation proceedings, including in relation to ongoing litigation in which the LLP is a claimant or a defendant, and in relation to certain prior transactions under investigation	Time costs	Estimated £10,000 plus VAT	N/a	N/a

(g) Details of progress for the period under review:

The estimated Statement of Affairs as at the date of Liquidation showed that the LLP was owed £297,613 by trade debtors, according to the latest statutory financial statements. However, the LLP's records had not been reconciled and it was understood that the majority of the ledger comprised historical bad debts, and so limited recoveries, if any, were anticipated in this regard. During the year in review, the sum of £7,794 was received, and the prospect of further recoveries in respect of the LLP's book debts is uncertain.

The Statement of Affairs also showed that the LLP was owed intercompany book debts of £508,913. Of this, £506,567 was due from Chancery Accounts & Tax LLP, which was also placed into Creditors Voluntary Liquidation on 30 September 2015. The prospect of a dividend to creditors of Chancery Accounts & Tax LLP is currently uncertain.

The Statement of Affairs shows no other realisable assets. However, the LLP derived the majority of its income from fees and commissions relating to the schemes it promoted, and further sums may be due to the LLP in this regard. The Liquidator's enquiries are ongoing.

At the date of liquidation, the LLP was also involved in a number of ongoing legal proceedings, both as a claimant and as a defendant. Liquidation does not automatically stay these proceedings, and a number of cases remain ongoing. Work during the year has involved communications with the relevant courts and participating in the proceedings as required, including discussions with and the provision of information to the LLP's professional indemnity insurers and their legal advisors.

A Receipts and Payments Account for the year under review is attached at Appendix B. Further details are provided below.

1. Receipts

1.1 Cash held on appointment

The amount of £7,200 was held by this firm, prior to the Liquidator's appointment, specifically for the purposes of meeting the costs of the Statement of Affairs fee as detailed further below.

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1 2 Book debts

As detailed above, book debt realisations during the year totalled £7,794

1 3 Cash at bank

The sum of £2,070 24 was received from National Westminster Bank plc in respect of the credit balance held in the LLP's business bank accounts

1 4 Bank interest gross

During the year, funds have been held in an interest bearing current account and gross bank interest of £1 67 has been received in this regard

1 5 Third party funds

The sum of £14,400 was provided by Reynolds Porter Chamberlain, who act for the LLP and its professional indemnity insurers, specifically to meet the Liquidator's costs and expenses in dealing with ongoing litigation in which the LLP is a claimant. The sum of £10,000 plus VAT was provided for the Liquidator's own costs, and a further £2,000 plus VAT was provided for the specific purpose of meeting the costs of the Liquidator's legal advisors, Shakespeare Martineau LLP, in relation to the litigation.

2. Payments

2 1 Statement of affairs fee

This fee relates to the assistance given by this firm to the Designated Members of the LLP in notifying and convening the meetings of members and creditors under Sections 84 and 98 of the Insolvency Act 1986, and the preparation of the Statement of Affairs and the Designated Members' report to creditors. This fee was approved at the first meeting of creditors.

2 2 Statutory advertising

This represents the costs of publishing statutory advertisements in the London Gazette in respect of the first meetings of the LLP's members and creditors, and the formal notice of the Liquidator's appointment.

2 3 Specific bond

The specific bond is the cost of insurance, based on the level of realisations envisaged or achieved by the Liquidator, as required by the Insolvency Practitioners Regulations 2005.

2 4 Meeting costs

The first meetings of members and creditors were held at my offices, for which this firm charged a nominal rental of £150 00 plus VAT for the provision of the boardroom and ancillary facilities.

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Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

2.5 Carriage and Archiving

This firm uses its own personnel and vehicle for the collection of books and records, for which we charge £50.00 per hour. The sum of £96.67 has been paid in this regard. In addition, the sum of £150 was paid to Claremont Centre Limited in respect of the costs of recovering certain of the LLP's books and records.

2.7 Legal fees

The sum of £2,000 plus VAT was paid to Shakespeare Martineau LLP in respect of their costs in dealing with matters relating to the ongoing litigation in which the LLP is a claimant.

Shakespeare Martineau LLP have a commercial and insolvency department and they were chosen on the basis of their experience in dealing with cases of this nature, taking into account the size and complexity of the legal issues. Shakespeare Martineau LLP charged a fixed fee for this work.

2.8 Re-direction of mail

The sum of £350 was paid to Royal Mail for the re-direction of the LLP's mail.

2.9 Liquidator's remuneration

Remuneration of £20,000 was paid during the year.

(h) Details of any assets that remain to be realised and outstanding matters

The LLP derived much of its income from fees and commissions relating to the schemes it promoted. Further sums may be due to the LLP in this regard, and the Liquidator's enquiries are ongoing.

The Liquidator is also examining the LLP's books and records to identify whether any further realisations can be achieved in respect of the LLP's book debts, shown in the last statutory financial statements with a book value of £297,613.

(i) Investigations

1.1 In accordance with the Company Directors Disqualification Act 1986, the Liquidator has submitted a report on the conduct of the LLP's Designated Members to the Department for Business, Energy & Industrial Strategy (BEIS). The contents of this report are confidential.

1.2 Shortly after appointment, the Liquidator made an initial assessment, in accordance with Statement of Insolvency Practice 2, of whether there may be any matters that might lead to recoveries for the estate and if so, what further investigations may be appropriate. This assessment took into account information provided by creditors and other stakeholders, either at the initial meeting or as a response to the Liquidator's routine enquiries.

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- 13 A number of matters were identified which may require further investigation, and the Liquidator's enquiries in this regard are ongoing. Disclosure is restricted at this time for reasons of confidentiality and in order not to prejudice the outcome of these proceedings.

(j) Creditors' rights – Rule 4.49E and Rule 4.131

- i) Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.
- ii) Any secured creditor, or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors, may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged, or the expenses incurred by the Liquidator as set out in this progress report, are excessive.

(k) Any other relevant information:

(i) (a) Secured creditors

The Company has no secured creditors at the date of this report.

(b) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the LLP's net property which would otherwise be available to the holder of a qualifying floating charge to be ring fenced from distribution to the charge holder and made available for the satisfaction of unsecured debts.

The LLP has not granted any floating charges and accordingly the provisions of Section 176A do not apply.

(ii) Preferential creditors

The LLP has no known preferential creditors.

(iii) Unsecured creditors

The claims of 67 unsecured creditors totalling £47,865,604.30 have been received, in comparison with the Statement of Affairs which estimated total unsecured claims at £682,865.

Of the claims received to date, claims totalling £47,569,425 are represented by Rebus Investment Solutions Limited, which is now in administration. These claims are disputed in their entirety by the LLP.

These claims have not been adjudicated, as realisations are presently insufficient to enable a dividend to be paid to unsecured non-preferential creditors.

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(l) Next report

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless matters are concluded prior to that, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

I trust you will find this report adequate for your purposes, but should you require any further information, please do not hesitate to contact in the first instance my Senior Manager, Charlotte Jobling, or her assistant Artemis Michael

A handwritten signature in black ink, appearing to read 'Asher D Miller', with a long horizontal flourish extending to the right.

ASHER D MILLER FCA - LIQUIDATOR

DATE: 28 NOVEMBER 2016

SUBER PCS LLP - IN LIQUIDATION
LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT
FROM 30 SEPTEMBER 2015 TO 29 SEPTEMBER 2016

	<u>Estimated</u> <u>to realise</u> £	<u>Realised</u> <u>to-date</u> £	<u>Y/E</u> <u>29-Sep-16</u> £
<u>Balance brought forward</u>			
<u>Receipts</u>			
Intercompany debtors	2,348 00	nil	nil
Book debts	119,045 00	7,794 00	7,794 00
Other receivables	uncertain	nil	nil
Cash at bank	2,288 00	2,070 24	2,070 24
Fixed assets	nil	nil	nil
Cash held on appointment	6,000 00	7,200 00	7,200 00
Bank interest gross		1 67	1 67
Third party funds		14,400 00	14,400 00
		<u>31,465 91</u>	<u>31,465 91</u>
<u>Payments</u>			
Statement of affairs fee		6,000 00	6,000 00
Specific bond		117 60	117 60
Carriage & Archiving		246 67	246 67
Meeting costs		150 00	150 00
Statutory advertising		423 00	423 00
Professional fees		2,000 00	2,000 00
Re-direction of mail		350 00	350 00
Office holders fees		20,000 00	20,000 00
Sundry expenses		362 40	362 40
		<u>29,649 67</u>	<u>29,649 67</u>
<u>Receipts less Payments</u>		<u>1,816 24</u>	<u>1,816 24</u>
<u>Represented by:-</u>			
Balance at bank		586 24	
VAT Recoverable		<u>1,230 00</u>	
		<u>1,816 24</u>	

SUBER PCS LLP - IN CREDITORS' VOLUNTARY LIQUIDATION

LIQUIDATOR'S TIME COSTS

FOR THE PERIOD 30 SEPTEMBER 2015 TO 29 SEPTEMBER 2016

SIP 9 TIME SUMMARY

Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	00 00	00 00	01 18	00 00	01 18	196 00	150 77
Statutory filings, circulars, notices, etc	00 00	27 42	10 54	00 00	38 36	9,588 50	248 41
Case planning, strategy & control	01 00	00 42	00 06	00 00	01 48	617 50	343 06
Taxation PAYE, C/Tax & VAT	00 00	01 06	03 12	00 00	04 18	740 50	172 21
Accounting & Cashiering	00 00	00 12	01 06	07 06	08 24	1,326 00	157 86
Case reviews & Diary maintenance	00 54	04 48	10 42	00 00	16 24	3,267 50	199 24
Investigations							
CDDA preparation & reporting	01 36	40 30	03 54	00 00	46 00	13,158 50	286 05
SIP2 assessment and financial review	00 00	04 42	00 12	00 00	04 54	1,418 50	289 49
Antecedant transactions & wrongful trading	02 18	94 18	47 48	00 00	144 24	35,466 50	245 61
Proceedings & recoveries	06 30	26 06	00 12	00 00	32 48	10,299 00	313 99
Realisation of assets							
Book debts collection	00 36	03 30	00 00	00 00	04 06	1,269 50	309 63
Tangible assets	00 00	14 18	26 30	00 00	40 48	7,813 50	191 51
Creditors							
Unsec'd Creditors correspondence & claims	00 00	24 06	03 00	00 00	27 06	7,454 50	275 07
Total hours and costs	12 54	242 00	108 54	07 06	370 54	92,616 00	249 71